



**DEPARTMENTS OF THE ARMY AND THE AIR FORCE  
NATIONAL GUARD BUREAU  
111 SOUTH GEORGE MASON DRIVE  
ARLINGTON, VA 22204-1382**

NGB-ARL (700)

23 February 2000

**MEMORANDUM FOR The Adjutants General of All States, Puerto Rico,  
The Virgin Islands, Guam, and The District of  
Columbia**

**SUBJECT: All States (Log Number 100-0021) Capitalization of Petroleum Oils (POLs)  
and Lubricants Facilities**

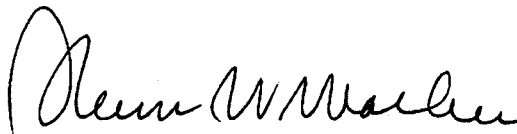
1. Capitalization strives to achieve efficiencies and savings through the consolidation of bulk petroleum management. Under this program, the fuel is owned by the Defense Energy Support Center (DESC); however, the operational management remains with the State.
2. Funding for POL facility Military Construction and Maintenance, Repair, and Environmental compliance projects are provided by DESC; however, actual ownership and funding for day to day routine maintenance is the State responsibility.
3. The eligibility criteria for becoming a capitalized site include that the site must support multiple customers (at least one Department of Defense Activity Address Code external to the State) and have a minimum 10,000 gallon annual fuel requirement. Prime candidates for the program are aviation sites and training facilities.
4. Another added component of the capitalization program is the Fuels Automated System (FAS). This is a Department of Defense authorized system designed to support fuel management and distribution. The system provides data on point of sale, inventory, finance and accounting, and facility management. The DESC will provide the hardware and software, personnel training, and required maintenance support for the FAS program.
5. The Automatic Tank Gauging (ATG) Program is also provided to approved and nominated capitalized sites. The ATG provides the capability to determine current inventory level and status (i.e. issue and receipts) for a single storage tank or a group of storage tanks. It also provides visual screen leak detection alarm. The only requirement for approved sites is to have a communication line and to obtain a digging permit if required.

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6. A listing of the States that have approved capitalized sites is available on the DESC website, and from the National Guard Bureau.
7. Requests to participate in the program should be submitted through NGB-ARL-E to the Army Petroleum Center, ATTN: SATPC-L (Mr. Dunn), 54M Avenue Suite #9, New Cumberland, PA 17070-5008.
8. This memorandum will expire one year from date of publication, unless sooner rescinded or superseded.
9. Point of contact is MAJ Chris Chandler, Petroleum and Water Item Manager, 703-607-7498 or DSN 327-7498.
10. The Army Logistics Division, Keeping the Guard Ready.

FOR THE CHIEF, NATIONAL GUARD BUREAU:



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